

AMHERST INDUSTRIAL DEVELOPMENT AUTHORITY

Monday, February 6, 2016

AGENDA

5:15 PM

1. Call to Order & Determination of Quorum - Town Hall at 174 S. Main Street
2. Approval of Minutes - *Meeting of November 7, 2016 and January 18, 2017*
3. IDA/EDA Management Agreement-----Chairman Lewis Addison
The Authority indicated that it wanted to discuss the proposed "merger" at this session.
4. Brockman Park Recoupment Agreement Report ----- Secretary Hobbs
The annual calculation for the money generated at Brockman Park is contained in the agenda package. The Authority needs to approve such a report prior to the "bill" being transmitted to Amherst County.
5. Brockman Park Homeowners Association Fees ----- Secretary Hobbs
The annual calculation of Brockman Park operating costs is contained in the agenda package. The Authority needs to approve such a report before the reimbursement "bill" can be sent to the three tenants.
6. IDA Budget for FY2017-18 -----Secretary Hobbs
A budget proposal for the Authority's consideration is contained in the agenda package. Note the amount of money that is being accumulated in the Economic Development Fund.
7. Correspondence
 - A. Letter of Appreciation from Amherst County
 - B. Sweet Briar College Bond Payoff Notice
8. Other Business -----Chairman Lewis Addison
9. Adjournment

**Town of Amherst
Industrial Development Authority
November 7, 2016**

A regular meeting of the Town of Amherst Industrial Development Authority was called to order by Vice Chairman Lewis Addison on November 7, 2016 at 5:15 PM in the Council Chambers of the Town Hall at 174 S. Main Street. It was noted that a quorum was present as follows:

A Jacob Bailey	P Richard Wydner
P Gary Jennings	A Vernon Wood
P Lewis Addison	
P C. Manly Rucker, III	

Town Manager Jack Hobbs in his capacity as Secretary to the Authority, and Deputy Town Clerk Vicki Hunt were present.

The Secretary introduced Vicki Hunt and reported that she has been hired to provide support to various Town committees and boards such as the IDA. She will be responsible for organizing meetings, taking minutes, and maintaining records as well as performing other support duties for the IDA.

Election of Officers

Vice Chairman Addison opened the floor to nominations for Chairman. Mr. Rucker nominated Mr. Addison, seconded by Mr. Jennings. There being no additional nominations, Mr. Addison was elected Chairman by acclamation on a 4-0 vote. Messrs. Addison, Jennings, Rucker, and Wydner voted in favor of the action; Messrs. Bailey and Wood were absent.

Chairman Addison opened the floor to nominations for Vice Chairman. Mr. Rucker nominated Mr. Wydner, seconded by Mr. Jennings. There being no additional nominations, Mr. Wydner was elected Vice Chairman by acclamation on a 4-0 vote. Messrs. Addison, Jennings, Rucker, and Wydner voted in favor of the action; Messrs. Bailey and Wood were absent.

Chairman Addison opened the floor to nominations for Secretary. Mr. Addison nominated Mr. Hobbs, seconded by Mr. Rucker. There being no additional nominations, Mr. Hobbs was elected Secretary by acclamation on a 4-0 vote. Messrs. Addison, Jennings, Rucker, and Wydner voted in favor of the action; Messrs. Bailey and Wood were absent.

On a motion by Mr. Rucker, which was seconded by Mr. Wydner and carried 4-0, the minutes of the March 7, 2016 and May 31, 2016

meetings were approved. Messrs. Addison, Jennings, Rucker, and Wydner voted in favor of the motion. Messrs. Bailey and Wood were absent.

Central Virginia Regional Radio Board Request

Virginia's Region 2000 Local Government Executive Director Gary Christie came forward on behalf of the Central Virginia Radio Board to request an extension of the draw schedule of that group's Loan Agreement with the Authority. After some discussion, on a motion by Mr. Rucker, which was seconded by Mr. Wydner, and carried 4-0, the IDA agreed to approve to extension of the draw schedule of the Loan and Acquisition Fund and Account Control Agreements dated May 1, 2012, to September 30, 2017. Messrs. Addison, Jennings, Rucker, and Wydner voted in favor of the motion.

Regional CEDS

Virginia's Region 2000 Local Government Council Executive Director Gary Christie presented an overview of goals and key initiatives of the regional Comprehensive Economic Development Strategy.

Amherst County Economic Development Authority Work Plan

Lee Cobb came forward to brief the Authority on the Amherst County Economic Development Authority's "strategic plan implementation."

IDA/EDA Merger

Lee Cobb came forward to present information to be considered during the upcoming exploration of the proposed merger of the Town of Amherst Industrial Development with the Amherst County Economic Development Authority.

CVTC Legislative Liaison Funding

After some discussion, on motion of Mr. Rucker, seconded by Mr. Wydner, and carried 4-0, the IDA agreed to contribute \$500 to Amherst County toward the cost of the selected liaison representing the region to speak on reuse of the Central Virginia Training Center during the 2017 General Assembly session. Messrs. Addison, Jennings, Rucker, and Wydner voted in favor of the motion.

Status Reports

A series of oral reports on the following items were made:

- **Centra/Ambriar:** Progress on the construction of the Centra building behind Ambriar Shopping Center is nearing completion. A grand opening event toward the end of November is anticipated.
- **Hotel Recruitment:** There has been no activity on the hotel recruitment issue for several months.
- **Planning Studies:** A series of economic development studies by the County, Region 2000, and the Town have been completed. A

current Town initiative involves the downtown pedestrian safety and walkability study, with a public presentation to be held on November 9, 2016, in the Town Hall at 6:00 PM. Members of the IDA were invited to attend. A new Second Stage "Cultivate Amherst!" initiative would use art and food as a way to improve local economy.

- **Brockman Park:** Prospect activity at Brockman Park has been very light.
- **Hollingsworth Contract:** Due to building plans that were not "grandfathered" under less expensive construction standards, a decision not to renew its contract with the Town has been made by Hollinsworth. Hollingsworth group has agreed to participate if a good prospect for Brockman Park presents itself.
- **Economic Development Consultant:** Lee Cobb has been asked to be more involved in IDA/EDA merger activity.

There being no further business, on motion of Mr. Rucker, seconded by Mr. Jennings, and carried 4-0, the meeting adjourned at 6:12 PM.

Lewis Addison, Chairman

ATTEST: _____
Secretary

**Town of Amherst
Industrial Development Authority
January 18, 2017**

A special meeting of the Town of Amherst Industrial Development Authority was called to order by Chairman Lewis Addison on January 18, 2017 at 7:00 PM in the school board room at the county building at 153 Washington Street. It was noted that a quorum was present as follows:

P Jacob Bailey	P Richard Wydner
A Gary Jennings	P Sharon W. Turner
P Lewis Addison	A Vernon Wood
A C. Manly Rucker, III	

Town Manager Jack Hobbs, in his capacity as Secretary to the Authority, and Deputy Town Clerk Vicki Hunt were present.

The Chair yielded the floor to Amherst County Economic Development Authority which held a concurrent meeting.

Lee Cobb, Economic Development Consultant, came forward to present a document titled *Recommendation for Working Relationship Between Town of Amherst Industrial Development Authority and County of Amherst Economic Development Authority* intended to facilitate more efficient delivery of economic development services. It was agreed that the Authority members would study the document for discussion at its next meeting.

After some discussion, the meeting adjourned at 8:12 p.m.

Lewis Addison, Chairman

ATTEST: _____
Secretary

January 18, 2017

**RECOMMENDATION FOR WORKING RELATIONSHIP BETWEEN
TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AUTHORITY**

And

COUNTY OF AMHERST ECONOMIC DEVELOPMENT AUTHORITY

NOTE: This document is presented at the January 18 joint IDA and EDA meeting as a concept. The intent is to offer a workable recommendation that will facilitate the more efficient delivery of economic development services. If members of the IDA and EDA concur with this or a modified concept, staff of each organization and the attorney for the EDA will then work to prepare a Management Agreement with details for an initial three year period. This Agreement must then be endorsed by the IDA and EDA. Also, Town Council must approve the Agreement as it holds title to Brockman Park. The EDA will present the Agreement to the Board of Supervisors.

Background

In the early 1990's the Town of Amherst Industrial Development Authority (IDA) and Town Council became very active by developing the premier industrial park between Charlottesville and Lynchburg, the L. Barnes Brockman, Sr. Business and Industrial Park (Brockman Park). This effort and subsequent operating costs have been financed exclusively by the Town Council and IDA. Today, the IDA generates and allocates \$55,000 annually (from sources other than local taxes) for Brockman Park maintenance, marketing, and an economic development sinking (capital) fund. The IDA does not have a full-time staff. Subsequent to this undertaking by the Town, the County created an Economic Development Authority (EDA) and built the Amelon Commerce Center in Madison Heights. This Center and annual operating costs have been funded primarily by the County Board of Supervisors. In 2017 the operating budget for the EDA is \$166,000 (staff, Amelon maintenance, marketing, legal, etc.) and \$227,741 has been appropriated by the Supervisors for implementation of the Strategic Economic Development Plan that envisions investments throughout the county.

The Economic Development Strategic Plan for Amherst County was adopted by the Board of Supervisors and the County's Economic Development Authority in the summer of 2016. The recommendation of one strategy in that Plan for unifying the economic development efforts of the town and county is explained as follows: "The Town of Amherst Industrial Development Authority was created at a time when the county did not have an economic development program. Now the Economic Development Authority and the Industrial Development Authority overlap in mission and activities. There are efficiencies to be gained by merging the organizations, as well as a higher level of partnership and alignment between the town and county economic development efforts." Subsequent discussion of this recommendation also recognized the need for the function of economic development speaking with one voice to prospective new businesses. Thus the concept of merging the two authorities was proposed.

While not employing the precise implementation steps outlined in the Economic Development Strategy, both authorities agreed to pursue the concept. In the autumn of 2016 consultant Lee Cobb began discussing alternatives for unifying economic development efforts with the Town Manager, the EDA's Director of Economic Development, members of each authority, and the attorney for the EDA. Results of those discussions and a recommendation for action follow.

Alternatives Considered, Advantages, Disadvantages, Conclusion

- 1. Continue as presently organized with no changes.** Primary **Advantages** include maximum local control by each authority and the continued ability of each authority to issue up to \$10 million in private activity bonds (results in a potential to issue up to \$20 million in bonds each year for the entire county). Primary **Disadvantages** are the retention of overlap in mission and activities, limited staff for managing affairs of the IDA, and confusion created with clients seeking an Amherst County location that involves resources/regulations/etc. of each jurisdiction. The unanimous **Conclusion** was to pursue a more effective and efficient approach/organization.
- 2. Merge the EDA and IDA into a single county-wide authority with passage of title to Amelon Commerce Center and Barnes L. Brockman Business and Industrial Park to the single, new authority.** Primary **Advantages** are the ability to coordinate all economic development activities in one organization and staff, the ability to speak to a prospective new business with a single voice (eliminates confusion, contradictions), a full-time staff to implement a county-wide program and manage all industrial sites, and resources of the County to apply to development activities in the town. Primary **Disadvantages** are the difficulty in combining two authorities with 14 members into one body with seven members and achieving appropriate proportional representation; the reduction of total Amherst County bond issuing authority from \$20 million to \$10 million as there will be only one EDA/IDA in the county; and possible consequences of relinquishing title by each existing authority to their industrial parks in the event the new merged authority is not successful. The unanimous **Conclusion** was that Disadvantages of this alternative outweigh the Advantages. Some other option should be considered to determine if the ability to issue \$20 million in bonds will make the county more competitive in the future and if a new organization will be effective for the county and town.
- 3. Eliminate the town IDA and reconstitute the County EDA to represent both the Town and County. Advantages, Disadvantages and the Conclusion** are essentially the same for this alternative as for the merged authority cited above.
- 4. Retain the Town IDA and the County EDA having the IDA contract with the EDA for management of its affairs and Brockman Park (precise responsibilities to be specified in the MANAGEMENT AGREEMENT).** Primary **Advantages** would be the ability of the EDA and its staff to speak with a single voice when working with businesses; retention of two authorities, each with a bond issuing capacity of \$10 million; retention by the Town Council of title to Brockman Park should the effectiveness of the EDA be compromised; and the ability of the IDA to evaluate benefits to the Town before making an irrevocable decision resulting in the termination of the IDA's existence. The primary **disadvantage** could be operational costs to the EDA if the IDA is unable to provide some financial assistance. The **Conclusion** and recommendation of the consultant is that this alternative be pursued as outlined in the remainder of this report.

Provisions in a Management Agreement (How this would work)

1. Town (IDA with concurrence of Council) will enter into a Management Agreement with the EDA for an initial three year period. This can be evaluated for renewal by both parties prior to a renewal.
2. Town (IDA with concurrence of Council) will contract with EDA to represent the Town as well as the County for marketing industrial-commercial parks, privately owned sites, hosting prospective new businesses, assisting existing businesses, negotiating agreements, administering incentives, etc.
3. EDA will report to the IDA annually on activities for the previous year and a work program for the coming year. During the year the EDA consults with IDA if considerations arise that are beyond the scope of the management agreement and/or the annual work program.
4. EDA will manage, market, and establish terms for sales of sites in Brockman Park, not having to return to the IDA for approvals during negotiations as long as the following provisions are met by the EDA and unless EDA requests a deviation for a particular situation:
 - The asking price of each site will be established by the IDA and Town Council and included in the Agreement.
 - The Town zoning ordinance and existing covenants on Brockman Park will govern.
 - The current sub-division plan will govern unless Council and the IDA approve modifications.
 - The EDA's adopted incentive policy (including provision for lowering the cost of sites as currently applied in Amelon Commerce Center) will apply. Additional, possible incentives from the Town are to be included, if forthcoming, in the Agreement.
 - Site sales proceeds (after adjustments for incentives) will be returned to the Town.
 - The Agreement will not affect the cost recoupment plan for Brockman Park currently existing between the Town and County.
 - EDA will be responsible for annual grass cutting and normal maintenance consistency with past practices of the IDA. This provision will not apply to extraordinary damages.
 - The EDA can spend Strategic Plan implementation funding from the County for qualifying activities/projects in Brockman Park. These funds are intended for implementation of the Economic Development Strategic Plan throughout the county and in accordance with an annual work plan.
 - The IDA will allocate \$175,000 from its economic development capital funding account for site(s) grading and other improvements in Brockman Park and/or acquiring additional property adjacent to the park. These funds can't be used until a plan has been approved by the IDA and EDA, with the exception of necessary engineering and project management. Recaptured capital funding resulting from sales of improved sites will be reinvested in further improvements to the Park.

- EDA will administer the provisions of the Brockman Park Home Owners Association.
5. For each of the three years of the initial agreement, the IDA will allocate and appropriate to the EDA \$30,000 as a supplement to the EDA's annual operating budget. These funds will support maintenance to Brockman Park and membership in Region 2000 for the Town (\$20,000 per year), the development of electronic and hard-copy marketing materials, related marketing activities and additional staff time (\$10,000 per year).
 6. The EDA will not be responsible for funding or management of public improvements to streets and utilities.

Next steps and timing

1. Staff will immediately coordinate with the EDA's legal counsel to draft a three year agreement.
2. EDA will present the first year work plan to IDA in April.
3. The Management Agreement will be submitted to the IDA, EDA, and Town Council in April. The Town of Amherst Council must approve the Management Agreement as it owns Brockman Park.
4. The three year Management Agreement will go into effect on July 1, 2017

Brockman Park Investment Recoupment Report

Prepared: 01/30/17

Prior to the transfer of any amount by the Town, the IDA shall prepare an annual activity report on the Fund in January of each year for the prior calendar year and submit it to the Town along with estimates for the then-current year. A copy of this report and any accompanying documentation shall be concurrently submitted to the County.

Balance, 6/30/2016		\$	2,307,901.91
FY 16 Activity:			
County: Lot 10: Steven D. Clancy, LLC (BlackBox)) Real Estate Taxes	12,694.10		
Lot 10: MTS/Black Box Personal Property Taxes	848.02		
Lot 10: MTS/Black Box Business Equipment Taxes	7,405.43		
Lot 9b,c: HBH Amherst, LLC (Horizon) Real Estate Taxes	7,851.31		
 <i>Note: Above is as per Commissioner of the Revenue Jane Irby on 2/12/2016</i>			
Less - FY98 Assessment	<u>(2,740.65)</u>		
Total FY16 from County		26,058.21	(26,058.21)
Projected Balance, 6/30/2017		\$	2,281,843.70

Ref: Acct#10-3320-0000

Brockman Park Owners Association

Maintenance Reimbursement for CY16

Date	Vendor	Description	Invoice Amount
2/4/2016	AMERICAN ELECTRIC POWER		\$ 19.70
2/23/2016	AMERICAN ELECTRIC POWER		\$ 17.74
3/22/2016	AMERICAN ELECTRIC POWER		\$ 17.49
4/27/2016	AMERICAN ELECTRIC POWER		\$ 17.56
5/31/2016	AMERICAN ELECTRIC POWER		\$ 17.10
6/21/2016	AMERICAN ELECTRIC POWER		\$ 16.82
7/25/2016	AMERICAN ELECTRIC POWER		\$ 22.89
8/26/2016	AMERICAN ELECTRIC POWER		\$ 25.10
9/20/2016	AMERICAN ELECTRIC POWER		\$ 25.60
10/25/2016	AMERICAN ELECTRIC POWER		\$ 26.28
11/22/2016	AMERICAN ELECTRIC POWER		\$ 24.56
12/21/2016	AMERICAN ELECTRIC POWER		\$ 24.28
Subtotal, Sign Electricity			\$ 255.12
5/3/2016	GRASSHOPPER LAWN CARE		\$ 828.00
6/7/2016	GRASSHOPPER LAWN CARE		\$ 828.00
6/30/2016	GRASSHOPPER LAWN CARE		\$ 828.00
8/9/2016	GRASSHOPPER LAWN CARE		\$ 828.00
9/13/2016	GRASSHOPPER LAWN CARE		\$ 828.00
10/12/2016	GRASSHOPPER LAWN CARE		\$ 828.00
Subtotal, Grass Cutting			\$ 4,968.00
			\$ -
Subtotal, Other Property Maintenance			\$ -
\$ 14.24	\$/light/month per bill		
\$ 5.11	\$/light/month other charges		
\$ 19.35	Actual per-month cost per BP light		
	8 # lights		
	12 # months		
\$1,857.60	Cost to provide street lights at BP		
Subtotal, Street Lights			\$ 1,857.60
			Total \$ 7,080.72
			#Lots 16
Per Lot Assessment			\$ 442.55

Ref Acct #'s 10-4001-0119 & -0126

Prepared 2/1/2017
Printed: 2/1/2017

IDA Budget Worksheet

2/1/2017

	<u>FY17 Budget</u>	<u>FY17 Projected</u>	<u>FY18 Projected</u>	<u>Proposed FY18 Budget</u>	<u>Variance</u>
Revenues					
3310.0000 TAX EXEMPT BOND FEES					
Centra Health bond fee		6,489	6,013		
Sweet Briar bond fee		10,771			
Regional Radio bond fee		12,724	11,739		
Total	29,508	29,984	17,752	17,752	(11,756)
3320.0000 BP RECOUPMENT REVENUE					
County recoupment	25,916	26,058	26,058		
Total	25,916	26,058	26,058	26,058	142
BP ASSOCIATION FEES		1,328	1,328	1,328	1,328
Total Revenue	55,424	57,370	45,138	45,138	(10,286)

Expenses					
4500.6100 BP PROPERTY MAINTENANCE					
Entrance sign maintenance		255	270		
Mowing common areas		4,968	4,968		
Bushhog TOA-owned property					
Reimbursement via HOA arrangement					
Contingency			2,000		
Total	7,082	5,223	7,238	7,238	156
4500.6200 BP - MARKETING					
Region 2000 dues		2,774	2,763		
Marketing materials			4,000		
Marketing support		6,000	6,000		
Transfer to Economic Development Sinking Fund		43,373	25,137		
Total	48,342	52,147	37,900	37,900	(10,442)
Total Expenses	55,424	57,370	45,138	45,138	

Capital Funds					
Economic Development (sinking) Fund at BOY	179,669	179,669	223,042	248,179	
Additions		43,373	25,137		
Economic Development (sinking) Fund at EOY		223,042	248,179		



COUNTY OF AMHERST

OFFICE OF THE COUNTY ADMINISTRATOR
AMHERST COUNTY ADMINISTRATION BUILDING
153 WASHINGTON STREET
P. O. Box 390
AMHERST, VIRGINIA 24521

TELEPHONE (434) 946-9400
FACSIMILE (434) 946-9370

December 28, 2016

Jack Hobbs
Industrial Development Authority
P.O. Box 280
174 S. Main Street
Amherst, Virginia 24521

Dear Mr. Hobbs and Industrial Development Authority members:

Amherst County would like to thank you for your very generous contribution towards Legislative Liaison services to assist in resolving the future of the Central Virginia Training Center facilities. Your participation, along with other Region 2000 members, makes possible the communication with General Assembly members that will help transition the unused properties on the CVTC campus into opportunities for new jobs and investment.

With the liaison firm, we've had good meetings with members of the General Assembly and will soon engage with the families of CVTC residents to obtain their support. We believe that it is important to preserve the buildings now in use and find complimentary uses for the remaining properties.

We have asked the Liaison to pursue 5 goals:

1. Have the unused, unneeded parcels declared as "excess" as soon as possible--not wait till 2020.
2. Seek funding for a redevelopment plan for these excess parcels.
3. Seek funding for environmental assessments for buildings and facilities that are not in use.
4. Seek funding for removal of derelict buildings.
5. Obtain authority for the Amherst Economic Development Authority to begin marketing the excess property.

We are trying to create the conditions where the excess property can be put to its highest and best use that compliments the existing CVTC operations. Your contribution is helping to send a message not only about the importance of the Training Center to our economy, but also about our strong regional solidarity.

If you have additional questions regarding this matter, please contact me at (434) 946-9400 or by e-mail at dcrogers@countyofamherst.com.

Sincerely,

Dean C. Rodgers
County Administrator

WM. TRACEY SHAW
(434) 455-9112
tshaw@woodsrogers.com

January 6, 2017

IDA of Town of Amherst, Virginia
P. O. Box 280
Amherst, VA 24521

Attn: Jack Hobbs, Town Manager
Town of Amherst, Virginia

Re: \$10,000,000 Variable Rate Educational Facilities Revenue Bond (Sweet Briar College) Series 2011 (the "Bond")

Dear Jack:

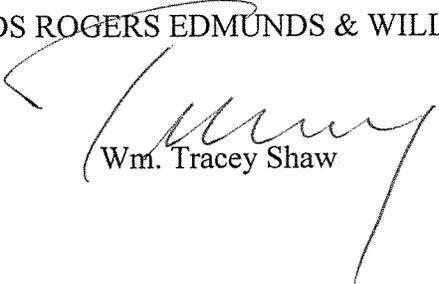
Pursuant to our conversation today, I am confirming on behalf of Sweet Briar Institute that effective December 16, 2016, the Institute's Series 2011 Promissory Note held by SunTrust Bank as security for the payment of the Bond, together with the Bond, Bond Purchase Agreement and Financing Agreement, were purchased by the Institute and returned by the Bank to the Institute. The Bond is a limited obligation of the Authority payable solely from payments on the Note. Both the Note and the Bond have been prepaid in full in accordance with their terms.

I am therefor returning the original of the Bond to the Authority. As Bond Registrar, the Secretary of the Authority should mark the Bond "Paid" and file it with the Authority's records.

Best wishes.

Very truly yours,

WOODS ROGERS EDMUNDS & WILLIAMS


Wm. Tracey Shaw

WTS:ap

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